

I. INVENTIONS AND DISCOVERIES—*continued.*

36 FIRE EXTINGUISHING. ACT APPOINTING A COMPANY FOR QUENCHING OF FIRE, and Rules to be observed by the Inhabitants there-
anent. Folio broadside (15½ by 12½ ins.). Woodcut of the arms of
Edinburgh at head. *Entirely uncut.* £18 10 0

*Printed by the Heirs and Successors of Andrew Anderson:
Edinburgh 1703*

∴ " . . . The Council appoints the Captain of the Guard for the time,
to cause two men of the best qualified of their Squad to walk Nightly through the
Streets, with a large Batton in their Hand, five or six Foot long, who are hereby
appointed to give notice immediately to the Fire-masters and the Guard in case
of Fire, and the said Captain is to take an account of their Diligence each Morn-
ing. The Council ordains each House in a Tenement within this City, to keep
two or three Ropes in their Houses that may reach from their Houses to the
Ground, and four Fathome more, with a sufficient quantity of Water in their
Houses or Cellars ready on all occasions, under Certification. . . ."

37 FIRE INSURANCE. PROPOSITIONS FOR INSURING HOUSES FROM
FIRE. Small folio broadside (15 by 7½ ins.). Lower edge uncut.
£14 10 0

*Delivered gratis at Mr. Starkey's, at Mr. Hinchman's, and at the Office
on the backside of the Royal Exchange [London, 6 May, 1680]*

∴ The first advantage of insuring against fire is the improvement of the
value of house property "for the Rents in the City of London were it not for
their casualty from Fire, would be esteemed the best Rents in the Land." At
the end are forms of agreement "Policy if the Party Rebuild his House him-
self"; "If the House be to be Rebuilt by the Office." The company's office
opened on 6 May, 1680, about eighteen years before the establishment of the
Commercial Union Assurance Company, which is the oldest firm of its kind now
in existance.

38 FIRE INSURANCE. ARGUMENTS FOR INSURING HOUSES FROM
FIRE. Small folio broadside, printed on both sides. £12 0 0

*These Papers, and the Propositions, are delivered Gratis, at the Office
on the Backside of the Royal Exchange [1680]*

∴ A list of fires from 1660 to 1680 is given. One of the arguments is that
"A man would part with Five or Ten Shillings in an Hundred Pounds, only to
Sleep Quietly for a Year; and not to be Disturb'd with that Dismal Cry of Fire,
Fire, when himself is not in Danger to be Burnt. Neither would a man for such
a small Sum, if a Loss should happen, be disquieted with the too late Advice
of Friends, every one blaming, and asking, Why he did not Insure? Or be Tor-
mented by his own Thoughts, with the Wish I had Insured.

39 FIRE INSURANCE. A TABLE, SHEWING THE RATES OF
INSURING Houses from One Year to Eleven: at the Fire-Office, kept
against the Royal-Exchange in Cornhill; And at the Rainbow-Coffee-
House, by the Inner-Temple-Gate in Fleet-Street. Small folio (14½ by
8½ ins.), broadside; top and fore-edges uncut. £12 10 0

*Printed by T. Milbourn for the Gentlemen of the Fire-Offices:
London 1688*

∴ The rates ranged from 7½d. for £10 for one year, to £21 for £1,000 for
eleven years for brick houses, and double these amounts for timber houses.

FIRST FIRE INSURANCE PROSPECTUS.

647 FIRE INSURANCE. An Enquiry, Whether it be the Interest of the City
to insure Houses from Fire; and whether the Insured may expect any
advantage thereby, more than from the Insurance-Office already Settled.

THE EXCESSIVELY RARE FIRST PROSPECTUS OF A FIRE INSURANCE
COMPANY EVER ISSUED.

4 pp., folio, new boards. (London, 1681.)

£5 5s

*** Bottom line and side margin damaged.

Edwin R. Seligman

an exceedingly rare collection

bound in 1800 at £15. 10s.

Contents.

1. A Second Letter or [a Reply to no. 3] (1681) 44.
2. An Enquiry whether it be the Interest of the City to insure
Houses from Fire, and whether the Insured may
expect any Advantage thereby etc. (1681) 45.
3. Observations on the Proposals of the City to Insure
Houses in case of Fire 1681 46.

A Second LETTER to his Honoured Friend Mr. M. T. one of the Committee chosen by the Common-Council of London for the Insuring of Houses from Fire.

N^o 3.

S I R,

THE Paper which you sent me, publish'd by the Gentlemen of the Insurance Office behind the Royal Exchange, Entitled, *Observations on the Proposals of the City to Insure Houses in case of Fire*, I have received, and carefully perused; and shall here return you some Reflections upon it, which I doubt not will be kindly accepted by you, because the design of this Paper is the same with that of your Counsels, viz. the promoting the Publick Advantage of your City. I have spent some time in enquiring who were the first Inventors of this design of Insuring Houses, because I find these Gentlemen do with a great deal of confidence ascribe it to themselves in all those several Pamphlets, which have been scatter'd (like their Brains) and so industriously spread abroad by them; and especially in this, in almost every Paragraph of it, which I have now under Examination. But herein they have done just as if a man should filch away a piece of Plate from his Neighbour, and setting his own Mark upon it, should impudently vouch himself to be the right and lawful owner of it. For I find this design was first set on foot immediately after his Majesties Restauration by several Persons of Quality, and Eminent Citizens of London, and Proposals about it then printed by them. But tho the Project and the Authors of it were then recommended to the Common Council of London by his Majesties Letter, yet it was not admitted by them, for the very same reason for which these Gentlemen now are not to be countenanced in it; viz. because they thought it impossible for private Persons to manage, and unreasonable that they (and not the City) should reap the Profits of such an undertaking. Hereupon this Design, like some Rivers that sink down into the Ground, and break not out again, but at a considerable distance, was no more heard of till the Year 1670. when it was afresh propounded to the City by Mr. De Lann, tho not prosecuted by them. However in the Majoralty of Sir W. Hooper it was briskly revived by Mr. Newbold the Merchant, who proposed the carrying it on by a Joint-Stock to be rais'd among the Inhabitants and Proprietors of the Houses to be Insured. This he communicated to the Lord Mayor, and divers other eminent Citizens. From some of these, like an Eves-dropper, this Observer caught it; it being then generally discours'd and approv'd of, and resolv'd to be put in practice. Accordingly Sir Robert Viner being chosen Lord Mayor for the then ensuing Year, Mr. Newbold retain'd Mr. Mosser as his Chief Council in order to present it to the City, and gave him a Fee of above four pound. But still the hands of the City were so full of other business, that tho they had a strong Inclination, yet they had no leisure to carry on this Design. Mr. Newbold therefore waiting for a more favourable Conjunction, found it not till the Majoralty of Sir Robert Clayton, to whom on New-years-day, Anno 73, he presented the Model of it; and sometime after printed it under the Title of *London's Improvement, and the Builder's Security, &c.* and presented it to several Aldermen, Common-Council-men, and other Eminent Citizens. Sir Robert Clayton approved of the matter; only advised that instead of a Joint-Stock it should be managed by the Chamber of London. And the same was the Year following by Sir Patience Ward, then Lord Mayor, tendered to the Common-Council. By them it was refer'd to a Committee, who after 8 Months time brought in their Report, That the thing was very well worthy the City's prosecution. And again, on the 15 of October they brought in another Report confirming the former. Whereupon the Common-Council immediately voted and agreed That the City should undertake it. The 15 of Nov. following, the Committee brought in their Proposals to the Common-Council, who consented to them, and order'd that the matter should be speedily put in execution. Thus you see, Sir, this Design was first started about the Year 1660. renew'd An. 1670. revived again by Mr. Newbold in 1674. and prosecuted by him (tho with but little success for the reason above-mentioned) till 1679; and from that time to this day follow'd with greater vigour, and to better purpose. Now after Mr. Newbold had for several years been pushing forward this Design by proposing a Joint-Stock of 50000 Pounds to be rais'd among the Inhabitants and Proprietors of 4000 Houses of the New-Brick-Buildings at 5 per Cent. on their value; (each House being reckon'd at 250 Pounds value one with another) Nay, after Sir Robert Clayton had, instead of this Joint-Stock, proposed that the City should manage it by setting a Fund of their own to that value (which in truth makes no essential difference, only gives a much better Security to the Insured) After this, I say, these Private Gentlemen start up and propose the setting of Ground-Rents and Lands to the value of but 30000 Pounds for the Insuring of 3000 Houses, at an annual Rent for 31 years only, the pre-fit to themselves, whereas the other Proposal of Mr. Newbold was intended to be perpetual, and the improvement of the Joint-Stock to be from time to time divided amongst the Insured that rais'd it. With what reason or modesty therefore they can pretend to be the first Inventors of this good Design, let the World judge; especially when they themselves will confess that two years ago they had no thought at all of undertaking it. I think 'tis very plain, that in this matter they have done like some Beggars, who borrow other mens Children to carry about with them as a Stratagem to get money by.

But if they cannot make good their Charge of Injustice against you for Robbing them of their Invention, they will endeavour to have you condemn'd as guilty of Imprudence in the managing of it. To which purpose this Observer hath exhibited Four Articles against you.

I. He accuses your taking Subscriptions as a thing vain and needless: For (says he) there can be no occasion for them, but only to see whether this Design (being altogether new) would be approved of. But this is plain already, that it does give general satisfaction. Therefore there was no necessity of your taking Subscriptions. But to this I answer, that taking Subscriptions was necessary upon another account, viz. That the Persons that do subscribe may choose Trustees from among themselves upon whom the Fund provided for their Security is to be settled.

But (saith he) why should men subscribe to you, when probably it may be so long (if ever) before the City settle their Fund, as their Houses may be burnt down before they are Insured? To this I answer, The Lands and Ground-Rents to the value proposed are already agreed upon by the City, and a Draught of the Conveyance is made, and now before Counsel for Approbation; and 'tis not doubted but the matter will be perfected in a very short time.

It again (saith he) why should men subscribe to you? For they may come and Insure at our Office, which is already settled, and be releas'd, when they find the City hath made better Provision for them. But I answer, The Question will be, Who shall be Judge in this case, whether the City have made better Provision or no? To be sure these Gentlemen will never confess it, be it never so plain, who pretend so confidently in their Enquiry, Letter, and these Observations, &c. to demonstrate that the City cannot give so good a Security, as they have already. They will hardly be so

good natur'd as to let go those Filhes which they have once caught in their Nets. They are very forward to take money upon almost any terms; as *Sponges suck up Water*; but the many Suits that are every Term between them and their Creditors, who are at so much trouble and charge to recover their own, plainly shew 'tis very hard to wring and squeeze it out again.

2. He accuses you for setting your Rates or Premiums for Insuring of Brick Houses at 48 shillings per Cent. for 31 years (and double the price for Timber-Houses) and so in proportion for a longer or a shorter time; because this is 2 shillings per Cent. cheaper than theirs. And declares in requital, That they will sink their Prices 2 shillings and 2 pence per Cent. lower than yours, viz. to 45 shillings 10 pence per Cent. for Brick-Houses for 31 years (and double the price for Timber) and declares they will always set their Prices under the City; tho at present they will abate no more unless the City does.

But I answer (1.) They would have cavill'd at the City, let your Prices have been what they would. Had your Rates been higher than theirs, then they would have said men might Insure cheaper with them. Had they been Equal, then they would have made a noise and clamour, that 'twas a following their Pattern. And now they are lower, they slander it as a contrivance to draw in Customers. (2.) These Gentlemen would have carv'd very fairly for themselves, had they proceeded according to their first Proposals, who still hope for very considerable Gains by this Design (or else they would never continue to prosecute it) tho now they will be content with above 4 shillings per Cent. less than what they at first propounded to themselves. But thus the fiercest Element by contesting with its contrary, is made far more moderate, than otherwise it would have been. (3.) Tho now they have set their Rates lower than yours, yet this will be no inducement at all to any wise man to Insure with them, because the Security which they give is nothing near so good as that which the City offers to the Insured. This I shall demonstrate thus.

They propose to Insure 3000 Houses with a Fund of but 30000 Pound value. Now such a Fund can be Security for no more than 150 Houses, and all that Insure with them above this number, have no Security at all; Nay, even those 150 Houses too can be ensured to be rebuilt but once neither; tho they pretend to rebuild them as often as they shall be burnt in 31 years. For should those 150 Houses be burnt down, the Rebuilding of them (tho but once) if you reckon them at but 200 pounds per House one with another (which I am sure is low enough) will amount to the just sum of their Fund, which is 30000 pounds. Now suppose that 12 Houses be burnt one year, at the rate of 200 pounds for rebuilding each House, there's 2400 pound gone: Suppose 12 Houses be burnt the next year, there's 2400 pounds more gone; and so in less than 13 years time their whole Fund of 30000 pound must be spent to satisfy the Loss: Nay, considering the Charges they are at in maintaining men for the Quenching of Fires, as they pretend, (tho being arm'd Cap a Pe, they look as if they were design'd to encounter another Enemy than the Fire, especially if we consider that none can be employed in that Service within the City, unless allowed by Authority) and other matters relating to their Office, which they themselves Calculate at a 1000 pound per Annum; considering too, I say, their Fund will be gone some years sooner: and then where is the Security for those 150 Houses the remaining 18 years, or for any of the other Houses above 150 all the time? If you Reply, They will not pay the Losses for the Houses that are burnt, out of the Fund, but out of a Bank which they will always have lying ready by them. I ask how Private men, and Persons so much in Debt should come by such a Bank, whenas they have expressly covenanted to put up the yearly Profits of their Fund in their own Pockets? And so they had need; for how should they live else? For if they had any other Estate besides their Fund, it might reasonably be presumed they would pay their Debts with it, which yet they have not discharged. And if they had not, yet the yearly Profits of their Fund, if they had settled as large an one as they at first promised, amounts but to 2000 pounds per Annum, (though by the way, what they have settled rises but to 1400 pound per Annum, and we may well think they could reach to no more) which will not rebuild above 10 Houses, if they should be burnt, reckoning them but at 200 pound each House. If you say The Premiums of the 150 Houses shall be laid out to buy more Lands for the Insuring others, or help make up the Loss. I answer that the Premiums of 150 Houses insured for 31 years, reckoning each House at 200 pound value, makes but 750 pound, which is an inconsiderable Sum, and will purchase but a few Inches of Ground. If you say the Premiums of the other Houses above the 150 that are Insured, shall be laid out to buy a further Fund, or help make up the Loss: I answer, (1.) Why should they have the Premiums of 2850 Houses for which they can give no other Security but those Premiums themselves? And (2.) Those Premiums are otherwise to be disposed of by them, viz. either to buy Ground-Rents or Lands (as far as they will go) for the Insuring at the Inns of Court, Chancery, and Westminster; the Insuring of which places they pretend they resolve speedily to undertake. Or else (which is more probable) these Premiums will be split into their own Pockets, for their own Private occasions, which are great enough.

Besides, it would be worth enquiring, whether the Lands of a man, liable to a Statute of Bankrupt 3 years ago, can now be a sufficient Security? or, (as I intimated in my other Letter) the Lands or Ground-Rents of another, who is (every day) liable to be called to an Account for Male-Administration in a Publick Office, and which if he should be found to be in Arrears to his Majesty, would be unavoidably seized in his Majesties behalf. But now if men Insure with the City, the Case is quite otherwise: For you have a Fund of an 100000 pounds value, which is Security for the Rebuilding of 500 Houses, reckoning each House as before, at 200 pounds one with another. Then there's the Premiums of those 500 Houses, and all the rest which shall be Insured that will be settled as an Additional Fund. And lastly, there is the Annual Rent of your Original Fund which amounts to 5000 pounds per Annum, and the Interest of the Premiums (which will rise very high too) both which will be laid by in a Bank by the City (you having no need, as Private men have, to apply them to any other Purposes) Which yearly Revenues will be so great as alway to make good all those Losses by Fire, which in all probability can happen in any one year; and so neither your Original nor Additional Fund will be diminish'd to make satisfaction. Were this but thoroughly weigh'd, I believe there is none would Insure with these Private men; but they would want Customers as much as they do either Credit or Money.

But further they object, Our Rates are lower than the Cities, because we Discount by way of Purchase, 5 years paid down for 8 years Insurance; 7 for 12; 9 and a half for 21; and 11 for 31 years. Whereas Your Table is after the Rate of 13 years Purchase for 31 years, and near 16 years Purchase for 51: Prices never heard of among Purchasers.

To this I answer, (1.) How low soever their Rates are, yet it can be no temptation to any man that understands himself or them, to Insure at their Office, unless their Security were better than I have just now shew'd it to be. (2.) Tho this Observator pretends, That your Prices are such as were never heard of among Purchasers, yet I am sure that near 13 years Purchase paid down for 31 years, and near 16 for 51 years, are the just Prices at Simple Interest at 5 l. per Cent. Rebate, as it hath been computed by, and attested under the hands of two of the most exquisite Arithmeticians this day in London.

lose by it, they prejudice the whole Body of the Citizens by wasting the Publick Revenues; which are very low already, as appears by the Cities borrowing Money upon Interest, when no visible improvement is made by it; and by your late raising the Fifteens to Repair the Publick works of the City. To all which I reply, (1.) There's no room for this Objection, because 'tis concluded on all hands, that this design will be Advantagious more or less to the Undertakers. (2.) If it were not, the City is not so likely to lose by this design as these Private Gentlemen, because the Annual Rents of your Original Fund (not to insist on the Interest of the Premiums) are so great, that they will at present make satisfaction for almost four times the loss as theirs will, without resorting to the Fund itself, and the yearly Rents of it being laid by, in a short time will make satisfaction for many more times the loss than theirs will. (3.) What your Committee do in this matter, is with the consent and Approbation of the whole Common Council, who being chosen by the Body of the Citizens, are their true Representatives. And therefore if the City should be a Loser by this Design, your Committee cannot justly be taxed for it. (4.) Whereas they say, If they lose, they lose but their own, I must deny it till they have made Even with their many Creditors. And till this be done, the ruin of these Gentlemen will be like the falling of an Old rotten Oak, which in tumbling beats down a multitude of little Shrubs and Under-woods. (5.) To say, The Revenues belonging to your City are very low, is a notorious Scandal. And 'tis sufficiently known, that the Chamber hath frequently refused many Sums of Money of late, though it hath been offer'd them at Four per Cent. Interest. (6.) As for your Raising the Fifteens, I doubt not but it will be sufficiently justified: it having been the Custom of the City to raise them for such uses time out of mind. And the Reason why they have not been raised for some Years, still of late, is, because there was no occasion for it: The Profits arising to the City from the Duty upon Coals, &c. given by Act of Parliament, having been applied to this purpose from the time of the great Fire in 66, till the time when the Fifteens were rais'd.

3. The Observator condemns your City for offering to Insure for Ever; which (saith he) is to spoil the whole Design. The Argument which he produceth to prove this, he tells us, was the great one that was used at the setting their Office, to show the certainty of their Security, which could no otherwise have given satisfaction.

If therefore I can but pull down this main Pillar, their whole Insurance Office like a rotten Building falls about their ears. Therefore, (1.) The Argument which the Observator useth to prove, that the City cannot well Insure for Ever, will as strongly prove, that these Gentlemen that offer to Insure for 31 Years, should not be trusted with all the Premiums for so many Years at once, but collect them yearly; which they themselves will not approve of. For thus he argues; and I with him: No Security can be good where all the Profit is at first received, and the Loss is uncertain, and continues for Ever (saith he); 'Tis the same for Thirty one Years (say I). For the Loss being uncertain, the Security cannot be proportion'd. And where all the Profit is at first received, (as it will be if Men Insure with them for 31 Years) there is no Interest obliged to take care of the Design so, as to pay a Loss and Preserve the Fund. So that whenever the Loss happens greater than the Annual Rent of the Security, the Land must be divided and torn in Pieces to satisfy the Loss. So that this Argument must be quitted, because 'tis as strong against their Insuring for Thirty one Years, as against the Cities Insuring for Ever. I know it may be replied in the Observator's own words, that when Houses are Insured for no longer than 31 Years, the Premium that will arise from the Reversion, will engage these Private Gentlemen to raise Money to pay the Losses and preserve the Fund entire, though the Losses were greater than 10 Years Rent of the Fund. But let any man of common Sense judge, whether these Gentlemen will have any reason to secure the Reversion of such a Project whereby 20000 Pounds (two Thirds of their Fund) is lost at one clap. (2.) All the Profit is not received by the City at first; for the Interest of the Premiums of the Houses Insured by the City will be an Annual Profit to it. (3.) 'Tis probable indeed, that the Loss by one years Fire may be greater than the Annual Rent of these Gentlemens Fund, which is but 1400 Pound; but 'tis very improbable it should be greater than the Annual Rent of the Cities Original Fund, which is 5000 Pound, and that of the Additional Fund of the Premiums too. (4.) If the Loss should be greater than the Annual Rent of the Cities Security, yet the City would have as much reason to take care to pay the Losses and preserve their Fund entire, as these Gentlemen would have to raise Money to Preserve theirs, if the Loss on their side should be greater than the Annual Rent of their Security. For why will the Premium that will arise from the Reversion engage them to do so, but because they hope in the next 31 Years to make up their great Loss? And sure the City may as well hope to make up their Loss in time too; for though when the City Insures for Ever they have no Reversions, yet the Premiums for that Reason are proportionably greater than those of these Private men, and consequently are equivalent to their present Premiums, and their Reversion too; and therefore the City will be as careful to raise Money to preserve their Fund entire, though the Loss at present should be greater than Ten years Rent of their Fund.

But further he objects, Should men Insure their Houses for Ever, your Corporation would have greater occasion for an Act of Restraint, than the Spiritual Corporations heretofore have had; For though the Church and Colledges by granting long Leases prejudiced their Successors, they left them the Old Rent: But your Committee will not be so kind to your Successors; for you would not only leave them without Reversions, but entail a perpetual Charge and Loss upon the Corporation. But I answer, If the Committee intended to put the Premiums of the Houses to be Insured into their own Private Pockets, as the Prebends of Churches and Fellows of Colledges do, and these Private Insuranciers intend, this Objection had a great deal of weight in it: But seeing these Premiums are to be settled as a further Fund for the Publick good, you will have no need of an Act of Restraint: Neither indeed would they, if they had bestowed the Profits of those long Leases which they granted for the present and future Publick good of those Churches and Colledges to which they belonged; for had they done so, this would not have been for the Prejudice, but Advantage of their Successors. 'Tis true, you leave your Successors without Reversions, if you Insure for Ever; but then the Premiums you receive from the Insured are set proportionably the higher for it, which will be transmitted entire to those that come after you; and so you will in all probability entail a perpetual Profit and Advantage (not a perpetual Charge and Loss) upon the Corporation.

The Fourth and Last Article upon which you are impeach'd, is, Your going to Council, to know whether you can settle your Ground-Rents. I foresee this Objection will not go very far, because it limps so foully at its first setting out, there being not one syllable of this in any of your Papers; nor can it be drawn by any just consequence from any of them. For your Tenth Proposal (in which alone there is mention made of your Advising with Council) runs thus, That the said Committee, in order to the said Security, do forthwith by Advice of Council proceed to prepare Settlements of the said Lands and Ground-Rents, and to draw up Articles and Agreements at large in pursuance of these Heads, to be proposed to such as shall Insure upon the same: which implies; That the Committee and Common-Council were already satisfied, that they could settle the Lands, and therefore your Committee were not order'd to attend Council, to know whether they could settle, or no.